

Assembly Bill No. 1373

CHAPTER 533

An act to add Section 17537.10 to the Business and Professions Code, relating to advertising.

[Approved by Governor September 29, 2010. Filed with
Secretary of State September 29, 2010.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1373, Lieu. Advertising: grant deed copy services.

Existing law provides that certain advertising-related practices are unlawful and makes a violation of those provisions a crime.

This bill would make it unlawful for any person, firm, corporation, association, or any other business entity to make any untrue or misleading statements in any manner in connection with the offering or performance of a grant deed copy service, defined as a service, offered through a mailed solicitation to a property owner, to obtain, for compensation, a copy of the property owner's grant deed or other record of title. The bill would make it unlawful to offer to perform this service without making specified disclosures. Because a violation of these provisions would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. Section 17537.10 is added to the Business and Professions Code, to read:

17537.10. (a) It is unlawful for any person, firm, corporation, association, or any other business entity to make any untrue or misleading statements in any manner in connection with the offering or performance of a grant deed copy service. For the purpose of this section, an "untrue or misleading statement" includes, but is not limited to, any representation, with regard to property identified by its address or assessor's parcel number, that any of the following is true:

(1) That due to property foreclosures and loan modifications in the county where the property is located, the property owner should obtain a copy of his or her grant deed or other record of title.

(2) That a governmental entity, or any other entity that includes in its name words that could lead a person to reasonably believe that the entity is affiliated with government, has recommended that a property owner should have a copy of his or her grant deed or other record of title.

(3) That the offeror of the grant deed copy service is, or is affiliated with, any governmental entity. A violation of this paragraph includes, but is not limited to, the following:

(A) The misleading use of any governmental seal, emblem, or other similar symbol.

(B) The use of a business name including the words “title” or “grant deed” or “public record” and the word “agency,” “bureau,” “department,” “division,” “federal,” “state,” “county,” “city,” or “municipal,” or the name of any city, county, city and county, or any governmental entity.

(C) The use of an envelope that simulates an envelope containing a government check, tax bill, or government notice or an envelope that otherwise has the capacity to be confused with, or mistaken for, an envelope sent by a governmental entity.

(D) The use of an envelope or outside cover or wrapper in which a solicitation is mailed that does not bear on its face in capital letters and in conspicuous and legible type the following notice: “THIS IS NOT A GOVERNMENT APPROVED OR AUTHORIZED DOCUMENT.”

(4) That there is a fee payment deadline to obtain a copy of a property owner’s grant deed or other record of title.

(b) (1) It is unlawful to offer to perform a grant deed copy service without making the following disclosure:

“THIS SERVICE TO OBTAIN A COPY OF YOUR GRANT DEED OR OTHER RECORD OF TITLE IS NOT ASSOCIATED WITH ANY GOVERNMENTAL AGENCY. YOU CAN OBTAIN A COPY OF YOUR GRANT DEED OR OTHER RECORD OF TITLE FROM THE COUNTY RECORDER IN THE COUNTY WHERE YOUR PROPERTY IS LOCATED FOR [AMOUNT OF FEE FOR THE COPY OF A GRANT DEED OR OTHER RECORD OF TITLE IN THAT COUNTY].”

(2) The disclosure specified in paragraph (1) shall be placed at the top of each page of every advertisement or promotional material disseminated by an offeror of a grant deed copy service and shall be printed in 14-point boldface type enclosed in a box formed by a heavy line.

(3) The disclosure specified in paragraph (1) shall be recited at the beginning of every oral solicitation and every broadcast advertisement and shall be delivered in printed form as prescribed by paragraph (2) before the time each person who responds to the oral solicitation or broadcast advertisement is obligated to pay for the service.

(c) For purposes of this section, “grant deed copy service” means a service offered by a person, firm, corporation, association, or any other business entity, through a mailed solicitation to a property owner, to obtain, for

compensation, a copy of the property owner's grant deed or other record of title.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.